

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814

December 17, 1992

ALL-COUNTY INFORMATION NOTICE No. I-67-92

TO: ALL COUNTY WELFARE DIRECTORS
ALL GAIN COORDINATORS
ALL AFDC COORDINATORSReason for this Transmittal

- ☐ State Law Change
- ☐ Federal Law Change
- ☒ Court Order or Settlement Agreement
- ☒ Clarification Requested by One or More Counties
- ☐ Initiated by SDSS

SUBJECT: JACOBSON AND VARELA/YSLAS LAWSUITS--INFORMATION FOR COUNTY PLANNING

REFERENCE: ALL-COUNTY LETTER 92-03

This letter provides information to assist in county planning for records retention, potential claimant notification and claims processing in both the Jacobson lawsuit affecting the Greater Avenues for Independence (GAIN) and the Aid to Families with Dependent Children (AFDC) Program and the Varela/Yslas lawsuit affecting the GAIN Program. The Jacobson suit is related to the inappropriate application of the two-year limit for self-initiated programs (SIPs). Varela/Yslas concerns the practice of assuming financial aid to be available for offsetting supportive services GAIN would have otherwise covered.

Both of these lawsuits are in the final phases of negotiation for settlement and it is anticipated that the claiming periods for both lawsuits will begin during State Fiscal Year 1993/94. We will plan for each suit to be processed at different times during the year to minimize county impact.

All-County Letter (ACL) 92-03 made reference to the retention of records for these and other lawsuits under GAIN. The retroactive claim period for the Jacobson suit begins May 9, 1987 and includes AFDC records on cases that were sanctioned. In the implementation of the Jacobson lawsuit, counties will be required to calculate AFDC underpayments on sanctioned cases and to resolve claims for GAIN supportive services underpayments.

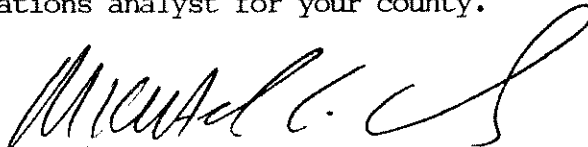
ACL 92-03 also indicated that records related to Varela/Yslas should be retained back to December 21, 1987. That date is incorrect. The correct date is October 18, 1987.

Finally, ACL 92-03 indicated that all case documents for cases under both lawsuits must be kept and that these documents may include but not be limited to case records, payment records, assistance claims and reimbursement claims.

The settlement agreement for Varela/Yslas will be implemented statewide. All counties will be required to publicize the opportunity to make claims and will be required to respond to claimants in this lawsuit. The State Department of Social Services will provide instructions and forms to implement the settlement.

In the Jacobson lawsuit, the settlement was limited to counties that had a policy of denying SIPs based on the two-year limit. The process of identifying counties has included a survey, a self-certification process, review by plaintiffs' attorneys, and resolution concerning disputed counties through direct contact between plaintiffs' attorneys and the counties in question. Based on this process, there are 18 counties that will not be included in the Jacobson settlement. Those counties are Alameda, Amador, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Marin, Mendocino, Napa, Orange, Plumas, San Benito, Sierra, Siskiyou, Sutter, Tehama and Trinity. All of the remaining counties will be required to participate in the administrative activities related to settling this lawsuit.

If you have any further questions or would like more information, please call the Employment Programs Operations analyst for your county.



MICHAEL C. GENEST
Deputy Director
Welfare Programs Division